

September 13, 2011

Renan Ramirez  
Director of Information Technology  
Hidalgo County  
PO Box 1356  
Edinburg, Texas 78539

Re: Master Software License and Professional Services Agreement by and between Tyler Technologies, Inc. (“Tyler”) and the Conference of Urban Counties (the “CUC”), with Hidalgo County (the “County”) participating as a Member County through the execution of a Participation Agreement (collectively, the “Agreement”).

Dear Renan:

As we have discussed, Tyler and the County desire to resolve certain differences with respect to the Agreement, restart the project, and otherwise continue with performance of the Agreement, subject to the conditions and obligations set forth in this letter. We have reviewed your letter dated July 18, 2011, and propose the following changes as highlighted below:

“Subject to the foregoing and the other terms set forth herein, Tyler and the County agree as follows:

1. Maintenance and Support Fees: Odyssey Attorney General. Tyler agrees to forego, and will not seek the collection of, maintenance and support fees (“M&S Fees”) based solely upon the prior implementation of Odyssey Attorney General. Notwithstanding the foregoing, the M&S Fees as set forth in the Agreement shall commence upon the implementation by Tyler of all civil Odyssey Case Types into actual production and use by the County, and such M&S Fees shall be due and payable by the County in accordance with the terms of the Agreement.

2. Maintenance and Support Fees: Legacy Systems. The County agrees to pay M&S Fees for the Tyler Legacy Systems (Civil) installed at the County for the period beginning October 1, 2011 through the date that the County in connection with the Project Governance Team approves the Odyssey M&S Fees set forth in paragraph 1 above. All Legacy System M&S Fees arising from October 1, 2011 through the date of this letter shall be due and payable within thirty (30) days upon receipt and review of the County Auditor and approval of a Revised Client Support and Software Update Services Agreement (“CSSUSA”) by the County Commissioners’ Court. M&S Fees for Tyler Legacy Systems arising after the date of this letter shall be due and payable in accordance with the revised CSSUSA.

3. Accounts Receivable. The County agrees to pay Tyler all outstanding accounts receivable (other than outstanding accounts receivable related to the Odyssey Attorney General M&S Fees as set forth in paragraph 1) not later than thirty (30) days prior to the Project Restart Date (as defined below) upon receipt and review of the County Auditor.

4. Project Restart. Tyler will use commercially reasonable efforts to restart the implementation project described in the Agreement as soon as reasonably practical. The County understands that certain Tyler resources are currently committed to other projects and it is currently estimated that the project would restart in late October or November 2011. After the execution of this letter agreement, Tyler and the County shall meet and mutually agree on the date to restart the project (the “Project Restart Date”), subject to the approval of the County in connection with the Project Governance Team as set forth in Paragraph 2 above. In addition, Tyler

shall prepare a written project plan identifying remaining project objectives, a work plan to achieve those objectives, and a summary of costs required to achieve the objectives, which shall be reviewed and approved by an authorized County representative prior to the Project Restart Date. The County, in connection with the Project Government Team's approval of the project plan shall constitute a representation that the County has allocated sufficient funds for the performance of such plan.

5. Project Governance. The parties shall form a Project Governance Team by the Project Restart Date, which shall meet at regularly scheduled, agreed upon dates and times to review the status of the project, the performance of the parties under the project, and risks, contingencies, and required changes to the project, if any. The Hidalgo Project Governance Team shall consist of at least one of the following individuals: District Clerk; County Clerk; or County Manager. In addition, the Hidalgo Project Governance Team will include Charles Gray from the CUC. Tyler commits to engage Tom Bartel, Tyler's Vice President of Professional Services, as a consistent member of the Project Management team and official interface to the County's Project Governance Team.

Each of Tyler and the County acknowledge that the agreement evidenced by this letter is a compromise of any disputes and is not an admission of liability whatsoever by either party. Further, if both parties agree to the terms and conditions contained herein, then both parties agree to amend the applicable agreements accordingly. Moreover, each party understands that should it fail to abide by the terms of this letter agreement (including, without limitation, if the parties fail to agree on a Project Restart Date or otherwise fail to perform under the agreed upon project plan), then the other party may terminate this letter agreement and pursue any and all remedies available to it at law or in equity. In such event, nothing in this letter shall be deemed or construed as a waiver of any claims that one party may have against the other as of the date of this letter or thereafter."

If this letter accurately reflects our mutual understanding, please execute in the space provided below.

Sincerely,

Bret Dixon  
Chief Operating Officer  
Tyler Technology, Courts & Justice Division

Acknowledged and Agreed:

HIDALGO COUNTY, TEXAS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 2011

